

Howard Marc Spector  
TBA # 00785023  
SPECTOR & COX, PLLC  
12770 Coit Road, Suite 1100  
Dallas, Texas 75251  
(214) 365-5377  
FAX: (214) 237-3380  
[hspector@spectorcox.com](mailto:hspector@spectorcox.com)

COUNSEL FOR THE DEBTOR

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
FORT WORTH DIVISION**

<b>In re:</b>	§	
	§	
<b>HMSW CPA, P.L.L.C.</b>	§	<b>Case No. 18-43569</b>
	§	
	§	<b>(Chapter 11)</b>
	§	
	§	<b>Jointly Administered</b>

**FEE APPLICATION COVER SHEET**

**Fee Application of:** Spector & Cox, PLLC f/k/a Spector & Johnson, PLLC

**Capacity:** Attorney for the Debtor      **Time Period:** September 2018 through January 2020

**Bankruptcy Petition Filed on:** September 10, 2018

**Status of Case:** Pending

**Amount Requested:** \$33,003.24

**Reductions:** \$0.00

Fees: \$31,222.50

Voluntary fee reductions: \$0.00

Expenses: \$1,780.74

Expense reductions: \$0.00

Other: \$0.00

Total Reductions: \$0.00

**Total:** \$33,003.24

**Hourly Rates Attorney/Accountant Paralegal/Clerical**

Highest Billed Rate: \$350.00

Total Hours Billed: 100.5

Blended Rate: \$310.67

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FOR THE NORTHERN DISTRICT OF TEXAS  
FORT WORTH DIVISION**

**In re:**

**HMSW CPA, P.L.L.C.**

§  
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§  
§

**Case No. 18-43569**

**(Chapter 11)**

**Jointly Administered**

**FIRST AND FINAL FEE APPLICATION OF SPECTOR & COX, PLLC  
F/K/A SPECTOR & JOHNSON, PLLC AS COUNSEL FOR THE DEBTOR FOR  
ALLOWANCE OF COMPENSATION FOR SERVICES RENDERED  
FROM SEPTEMBER 2018 THROUGH JANUARY 2020 AND  
REIMBURSEMENT OF EXPENSES INCURRED**

NO HEARING WILL BE CONDUCTED HEREON UNLESS A WRITTEN RESPONSE IS FILED WITH THE CLERK OF THE UNITED STATES BANKRUPTCY COURT AT 1100 COMMERCE STREET, DALLAS, TEXAS 75242 BEFORE CLOSE OF BUSINESS ON FEBRUARY 21, 2020, WHICH IS AT LEAST 24 DAYS FROM THE DATE OF SERVICE HEREOF.

ANY RESPONSE SHALL BE IN WRITING AND FILED WITH THE CLERK, AND A COPY SHALL BE SERVED UPON COUNSEL FOR THE MOVING PARTY PRIOR TO THE DATE AND TIME SET FORTH HEREIN. IF A RESPONSE IS FILED A HEARING MAY BE HELD WITH NOTICE ONLY TO THE OBJECTING PARTY.

IF NO HEARING ON SUCH NOTICE OR MOTION IS TIMELY REQUESTED, THE RELIEF REQUESTED SHALL BE DEEMED TO BE UNOPPOSED, AND THE COURT MAY ENTER AN ORDER GRANTING THE RELIEF SOUGHT OR THE NOTICED ACTION MAY BE TAKEN.

Spector & Cox, PLLC f/k/a Spector & Johnson, PLLC (the “**Firm**”), counsel for HMSW CPA, PLLC (the “**Debtor**”), files this First and Final Fee Application (“**Application**”) for allowance of compensation for services rendered by the Firm from September 2018 through January 2020 (“**Compensation Period**”) and reimbursement of actual and necessary expenses incurred during the Compensation Period, pursuant to Section 330 of title 11 of the United States

Code (“**Bankruptcy Code**”) and Rule 2016 of the Federal Rules of Bankruptcy Procedure (“**Bankruptcy Rules**”). In support thereof, the Firm respectfully represents as follows:

### **I. JURISDICTION**

1. The Court has jurisdiction over this Application pursuant to 28 U.S.C. §§ 157 and 1334. Venue of this proceeding and this Application is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory predicate for the relief sought herein is Bankruptcy Code § 327(a).

### **II. BACKGROUND FACTS**

2. On September 10, 2018 (the “**Petition Date**”), the Debtor filed a voluntary petition under title 11, chapter 11 of the United States Bankruptcy Code (the “**Bankruptcy Code**”) in the United States Bankruptcy Court for the Northern District of Texas, Fort Worth Division (the “**Court**”).

3. No trustee or committee has been appointed. The Debtor has operated as Debtor and Debtor-in-possession.

4. The Firm was retained by the Debtor as general bankruptcy counsel. The Court authorized the Firm’s employment pursuant to an order entered on February 23, 2018, effective as of November 29, 2018. Prior to the filing of this case, Cheree Bishop tendered to the Firm a cashier’s check in the amount of \$27,067.00 as a retainer for services to be rendered herein. After deducting the filing fee of \$1,717, the balance of these funds were deposited into the Firm’s IOLTA trust account. Accordingly, as of this date, the Firm holds \$25,350.00 as a retainer to secure payment of post-petition fees and expenses. No withdrawals have been made from the retainer.

### **III. FINAL COMPENSATION AND REIMBURSEMENT REQUESTED**

5. By this Application, the Firm requests final allowance of \$33,003.24, representing \$31,222.50 as compensation for professional services rendered during the Compensation Period and \$1,780.74 as reimbursement for actual and necessary expenses incurred.

6. During the Compensation Period, the Firm has received no payment and no promises of payment from any source for services rendered or to be rendered in any capacity whatsoever in connection with the matters covered by this Application. There is no agreement or understanding between the Firm and any other person for the sharing of compensation to be received for services rendered in this case.

7. The Firm submits that this Application complies in all material respects with relevant provisions of the Bankruptcy Code and the Bankruptcy Rules.

### **IV. ADJUSTMENT OF COMPENSATION AMOUNT**

8. The amount of compensation sought herein is derived from the Firm’s time entries for the Compensation Period. The undersigned counsel has subjected each of the time

entries to careful review and scrutiny to insure that charges of fees shown therein are accurate and appropriate. As a result, certain charges have been removed or reduced in amount.

## **V. SERVICES PROVIDED**

9. The Firm's time records for the Compensation Period are attached hereto as "**Exhibit A**". These records contain time logs describing the time expended by the Firm for the Compensation Period. The Firm has utilized "project billing" as required by the local compensation guidelines. The projects established, a summary of the project and the time billed to each project are set forth below:

<b>Matter</b>	<b>Description</b>	<b>Total Hours Billed</b>	<b>Total Fees Billed</b>
1	Administrative Matters	9.2	\$2,582.50
2	Plan	74.3	\$22,945
3	Professional Retention	3.1	\$1,085
4	Claims, Executory Contracts, and FRCP 4001 matters	13.9	\$4,610
	<b>TOTALS</b>	<b>100.5</b>	<b>\$31,222.50</b>

10. The Firm submits that the foregoing services were necessary to the successful and prompt administration of the Chapter 11 Case, necessary and beneficial to the estate at the time at which such services were rendered, and performed without unnecessary duplication of effort or expense. The Firm's request for compensation for the foregoing services is reflective of a reasonable and appropriate amount of time expended in performing such services commensurate with the complexity, importance and nature of the problem, issue or task involved.

11. The Firm's charges for professional services rendered in the Chapter 11 Case have been billed in accordance with the Firm's existing billing procedures. The rates the Firm charges for the services rendered in the Chapter 11 Case are lower than the rates the Firm charges for professional services rendered in comparable non-bankruptcy related matters and are reasonable based on the customary compensation charged by comparably skilled practitioners in comparable non-bankruptcy cases in the competitive local legal market.

## **VI. APPLICATION OF FIRST COLONIAL CORPORATION OF AMERICA FACTORS**

12. Following are the factors to be considered in assessing the reasonableness of professional services required by *First Colonial Corporation of America*, 544 F.2d 1291, 1299 (5th Cir. 1977), *cert. den.* 431 U.S. 904, 97 S.Ct. 1696, 52 L.Ed.2d 388 (1977):

(a) *The Time and Labor Required*

As shown in Exhibit A, it has been necessary for the Firm's professionals to work approximately 100.5 hours in connection with the professional services made the basis of this Application. The Firm submits that each of the projects billed were completed efficiently, given the circumstances of this matter.

(b) *The Novelty and Difficulty of the Questions*

The main issue in this case was restructuring the Debtor's creditor relations.

(c) *The Skill Requisite to Perform the Legal Service Properly and the Experience, Reputation, and Ability of the Attorney*

Mr. Spector has been licensed to practice law within the State of Texas since 1992 and has been practicing bankruptcy law since that time. The Firm has previously represented many companies and individuals in bankruptcy proceedings. Mr. Spector performed the vast majority of the work on the file and was assisted by 1 paraprofessional.

(d) *The Preclusion of Other Employment Due To Acceptance of the Case*

Because the Firm is a small firm, the hours reflected herein are a significant portion of Mr. Spector's time for the Compensation Period.

(e) *The Customary Fee*

The fee charged in this matter is substantially lower than the hourly rates being charged for other counsel in this district.

(f) *Whether the Fee is Fixed or Contingent*

The fee is fixed at \$350.00 per hour for Mr. Spector. The Firm's paralegals are billed at \$95.00 per hour.

(g) *Time Limitations Imposed by the Client or Other Circumstances*

This factor does not apply.

(h) *The Amount Involved and the Results Obtained*

The Firm and the Debtor's efforts resulted in a confirmed Chapter 11 Plan on August 29, 2019.

(i) *The Undesirability of the Case.*

This factor does not apply.

(j) *The Nature and Length of the Professional Relationship with the Client*

The Firm has no pre-existing relationship with the Debtor.

(k) *Awards in Similar Case*

The Firm submits that the fees and expenses requested are in line with or less than awards in similar case.

**VII. ACTUAL AND NECESSARY EXPENSES**

13. Attached hereto as Exhibit B is a schedule of the actual and necessary expenses incurred by the Firm in connection with his representation of the Debtor during the Compensation Period. As set forth on Exhibit B, the Firm seeks reimbursement of actual and necessary expenses incurred by the Firm during the Compensation Period in the aggregate amount of \$1,780.74.

14. In connection with such expenses, the Firm represents that copying is charged at \$0.20 per page, outgoing facsimiles are charged at \$0.25 per page, the long distance telephone charges include actual long-distance carrier charges for outgoing voice and facsimile transmissions, and incoming facsimile transmissions are received at no charge. The basis for these charges is the Firm's calculation of the actual costs of these expenses.

WHEREFORE, the Firm respectfully requests (i) final allowance of \$33,003.24, representing \$31,222.50 as compensation for professional services rendered during the Compensation Period and \$1,780.74 as reimbursement for actual and necessary expenses incurred during the Compensation Period; (ii) an order directing payment by the Debtor of the compensation in the amount allowed on a final basis to the extent that the amounts allowed have not been paid previously; and (iii) such other and further relief as is just.

Dated: January 28, 2020.

Respectfully submitted,

By: /s/ Howard Marc Spector  
Howard Marc Spector  
TBA #00785023

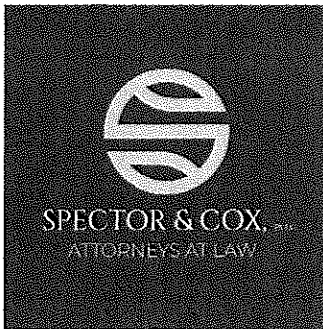
SPECTOR & COX, PLLC  
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EMAIL: [hspector@spectorcox.com](mailto:hspector@spectorcox.com)

COUNSEL FOR THE DEBTOR

**CERTIFICATION**

The undersigned that he has read the foregoing Application; that to the best of his information and belief, formed after reasonable inquiry, the compensation and expense reimbursement sought in the Application is in conformity with the local guidelines as adopted by this Court; and the compensation and expense reimbursement requested are billed at rates, in accordance with practices no less favorable than those customarily employed by the Firm and generally accepted by the Firm's clients.

/s/ Howard Marc Spector  
Howard Marc Spector



# INVOICE

Spector & Cox, PLLC  
12770 Coit Road, Suite 1100  
Dallas, TX 75251

Invoice #: 1131  
Date: 01-28-2020  
Due On: 01-28-2020

Cheree Bishop

Matter Number:HMSW  
Matter Name:HMSW

## Services

Date	Time keep er	Description	Quantity	Rate	Total
09-10-18	HMS	review adversary filed by Simmons	0.20	350.00	\$70.00
09-20-18	HMS	t/c with clients	0.50	350.00	\$175.00
09-24-18	HMS	draft mtn to extend time to file schedules	0.20	350.00	\$70.00
09-24-18	AH	send clients email re. debtor interview and to-do's	0.50	95.00	\$47.50
09-25-18	HMS	t/c w/ Bishop	0.50	350.00	\$175.00
09-26-18	HMS	review email sent by R. Wylie re proforma financials	0.60	350.00	\$210.00
09-27-18	HMS	prepare for and attend debtor interview	1.00	350.00	\$350.00
09-30-18	HMS	prepare motion to reject contract with De Souza	0.50	350.00	\$175.00
10-03-18	AH	prepare schedules and send email with draft and additional questions	0.80	95.00	\$76.00
10-04-18	AH	schedule changes and new draft sent	0.30	95.00	\$28.50



10-05-18	HMS	t/c w/ client re. plan revisions	0.80	350.00	\$280.00
10-05-18	AH	schedule changes and final draft sent	0.40	95.00	\$38.00
10-08-18	HMS	finalize schedules and sofa	0.50	350.00	\$175.00
10-09-18	HMS	prepare 4001 motion re. Hagen	0.70	350.00	\$245.00
10-10-18	HMS	prepare SJ retention application	0.70	350.00	\$245.00
10-10-18	HMS	work session on plan and disclosure statement	2.00	350.00	\$700.00
10-10-18	HMS	review and respond to email from clients re timeline of bk and filing of plan and DS	0.50	350.00	\$175.00
10-10-18	HMS	various emails to client re. cash collateral and mtn to remand	0.50	350.00	\$175.00
10-11-18	HMS	finalize plan and draft application for conditional approval and proposed order re. same	1.50	350.00	\$525.00
10-11-18	HMS	status conf for adv removal	0.50	350.00	\$175.00
10-15-18	HMS	t/c w/ clients	0.50	95.00	\$47.50
10-16-18	AH	prepare application for Thompson Coe	1.00	95.00	\$95.00
10-16-18	HMS	review email from client re. Whitburn representation	0.20	350.00	\$70.00
10-19-18	HMS	prepare for and attend 341	1.00	350.00	\$350.00
10-25-18	HMS	t/c w/ clients	0.50	350.00	\$175.00
10-29-18	HMS	draft proposed order and cert of no bj for De Souza mtn	0.20	350.00	\$70.00
10-29-18	HMS	review MFR filed by Simmons	0.10	350.00	\$35.00
10-29-18	HMS	prepare objection to motion to remand in adv	1.00	350.00	\$350.00
10-30-18	HMS	various emails to client re. proformas, landlord resp, plan draft	3.00	350.00	\$1,050.00
11-01-18	HMS	review objection from Simmons re. 4001 mtn	0.30	350.00	\$105.00
11-12-18	HMS	prepare objection to Simmons MFR	0.50	350.00	\$175.00
11-21-18	HMS	prepare w/e list for MFR hearing	0.20	350.00	\$70.00
11-21-18	HMS	prepare cert of no obj for SJ retention app	0.10	350.00	\$35.00

11-26-18	HMS	review and file MOR for September and October 2018	0.50	350.00	\$175.00
11-26-18	HMS	t/c w/ clients	0.50	350.00	\$175.00
11-27-18	HMS	prepare for and attend hearing on MFR	1.20	350.00	\$420.00
11-28-18	HMS	review Mtn filed by trustee re scheduling order	0.20	350.00	\$70.00
11-30-18	HMS	w/s re. plan/DS	2.50	350.00	\$875.00
12-05-18	HMS	t/c w/ clients	0.50	350.00	\$175.00
12-11-18	HMS	finalize plan and motion for approval of DS	1.50	350.00	\$525.00
12-13-18	HMS	review order conditionally approving DS	0.10	350.00	\$35.00
12-14-18	HMS	review MFR filed by Simmons	0.20	350.00	\$70.00
12-17-18	AH	organize and mail out plan and order	2.50	95.00	\$237.50
12-19-18	HMS	draft response to 2nd MFR by Simmons	0.50	350.00	\$175.00
12-20-18	HMS	prepare for and attend hearing on 2nd MFR	1.00	350.00	\$350.00
12-21-18	HMS	t/c w/ clients	0.50	350.00	\$175.00
12-21-18	AH	prepare COS for plan mail out	0.80	95.00	\$76.00
12-26-18	HMS	prepare and file suggestion of bk in Simmons appeal	0.40	350.00	\$140.00
01-09-19	HMS	review and file MOR reports for November and December 2018	0.50	350.00	\$175.00
01-09-19	HMS	review mtn to consolidate	0.20	350.00	\$70.00
01-09-19	HMS	review 3rd MFR filed by Simmons	0.30	350.00	\$105.00
01-10-19	HMS	t/c w/ clients	0.50	350.00	\$175.00
01-16-19	HMS	finalize plan/DS	1.00	350.00	\$350.00
01-17-19	HMS	draft mtn for approval of DS	0.60	350.00	\$210.00
01-17-19	HMS	finalize mtn to approve DS	0.30	350.00	\$105.00
01-18-19	AH	serve plan and order	2.50	95.00	\$237.50
01-18-19	HMS	review order granting conditional approval	0.10	350.00	\$35.00

01-18-19	AH	prepare COS for plan mail out	0.30	95.00	\$28.50
01-22-19	HMS	t/c w/ clients	0.50	350.00	\$175.00
01-23-19	HMS	prepare w/e for hrg on 4001 mtn	0.20	350.00	\$70.00
01-31-19	HMS	prepare for and attend hearing on MFR	2.00	350.00	\$700.00
02-06-19	HMS	t/c w/ clients	0.50	350.00	\$175.00
02-11-19	HMS	prepare w/e for MFR	0.20	350.00	\$70.00
02-21-19	HMS	review objection to confirmation filed by Simmons	0.50	350.00	\$175.00
02-24-19	HMS	review and file MOR for January 2019	0.50	350.00	\$175.00
02-24-19	HMS	in office meeting re. confirmation	1.00	350.00	\$350.00
02-25-19	HMS	prepare ballot summary	0.30	350.00	\$105.00
02-25-19	HMS	review supplement filed by Simmons to confirmation obj	0.30	350.00	\$105.00
02-25-19	HMS	prepare w/e for confirmation	0.20	350.00	\$70.00
02-25-19	AH	prepare exhibits and binders for confirmation	2.50	95.00	\$237.50
02-27-19	HMS	prepare for and attend confirmation	3.50	350.00	\$1,225.00
03-04-19	HMS	prepare proposed plan modifications	1.50	350.00	\$525.00
03-08-19	HMS	prepare mtn to extend exclusivity period	1.00	350.00	\$350.00
03-15-19	HMS	review order denying DS	0.50	350.00	\$175.00
04-01-19	HMS	review and file MOR for February 2019	0.50	350.00	\$175.00
04-02-19	HMS	prepare cert of no obj for exclusivity mtn	0.10	350.00	\$35.00
04-22-19	HMS	review and file MOR for March 2019	0.50	350.00	\$175.00
05-06-19	HMS	email to clients re. missed call, upcoming hearings, plan timing	0.40	350.00	\$140.00
05-07-19	HMS	t/c w/ clients	0.50	350.00	\$175.00
05-30-19	HMS	review and file MOR for April 2019	0.30	350.00	\$105.00
06-06-19	HMS	t/c w/ clients	0.50	350.00	\$175.00

07-02-19	HMS	review and file MOR for May 2019	0.30	350.00	\$105.00
07-02-19	HMS	Revise plan	2.00	350.00	\$700.00
07-02-19	HMS	email exchange with C. Bishop	0.10	350.00	\$35.00
07-07-19	HMS	Revisions to stand alone plan for HMSW	4.00	350.00	\$1,400.00
07-07-19	HMS	Review email from R. Wylie; revise plan and disclosure statement	2.00	350.00	\$700.00
07-10-19	HMS	t/c w/ clients	0.50	350.00	\$175.00
07-11-19	HMS	Review comments from C. Bishop to plan; revise same	2.00	350.00	\$700.00
07-17-19	HMS	t/c w/ clients	0.50	350.00	\$175.00
07-17-19	HMS	Revisions to joint plan of liquidation	3.00	350.00	\$1,050.00
07-19-19	HMS	prepare motion for approval of DS	0.50	350.00	\$175.00
07-19-19	AH	serve plan and order	2.50	95.00	\$237.50
07-19-19	AH	prepare COS for plan mail out	0.30	95.00	\$28.50
07-22-19	HMS	prepare amended plan	2.00	350.00	\$700.00
07-24-19	HMS	t/c w/ clients	0.50	350.00	\$175.00
07-30-19	HMS	review and file MOR for June 2019	0.30	350.00	\$105.00
08-07-19	HMS	Finalize plan revisions, confirm same with Craig Davis.	1.50	350.00	\$525.00
08-07-19	HMS	t/c w/ clients	0.50	350.00	\$175.00
08-07-19	HMS	emails with client re amendment to DS	0.50	350.00	\$175.00
08-07-19	HMS	Revise plan re: claims made by Hagen (.4); email from R. Wylie re: same (1)	0.50	350.00	\$175.00
08-07-19	HMS	T/c with client representatives	0.40	350.00	\$140.00
08-07-19	HMS	Plan revisions and revisions to creditor estimates	1.50	350.00	\$525.00
08-08-19	HMS	prepare amended plan	0.50	350.00	\$175.00
08-10-19	HMS	Meeting with client representatives to prepare for confirmation; prepare for same.	2.50	350.00	\$875.00

08-13-19	HMS	Reply re: employee ballots	0.10	350.00	\$35.00
08-14-19	HMS	prepare w/e for confirmation hearing	0.20	350.00	\$70.00
08-15-19	HMS	email to client re ballots received	0.10	350.00	\$35.00
08-16-19	HMS	prepare ballot summary	0.20	350.00	\$70.00
08-16-19	HMS	review of plan objection and ballot from Simmons	1.00	350.00	\$350.00
08-16-19	HMS	Review ballots for ballot summary	0.40	350.00	\$140.00
08-17-19	HMS	in office mtg re. confirmation	1.00	350.00	\$350.00
08-19-19	HMS	prepare for and attend confirmation hearing	4.00	350.00	\$1,400.00
08-19-19	HMS	prepare modified plan	1.00	350.00	\$350.00
08-28-19	HMS	prepare modified plan	0.50	350.00	\$175.00
08-29-19	HMS	prepare proposed confirmation order	1.00	350.00	\$350.00
10-31-19	AH	review and file 7-2019 MOR and 3Q 2019	0.50	95.00	\$47.50
11-14-19	AH	draft and file notice of effective date	0.10	95.00	\$9.50
12-23-19	HMS	t/c w/ client	0.50	350.00	\$175.00
01-27-20	HMS	prepare final fee application	2.00	350.00	\$700.00
01-28-20	HMS	prepare objection to claim	0.50	350.00	\$175.00

Services Subtotal: \$31,222.50

<b>Expense</b>	<b>Amount</b>
Filing Fee-Adversary	\$ 350.00
Filing Fee- litigation	\$ 6.67
Copies	\$ 859.95
Postage	\$ 397.72
Faxes	\$ 28.00
Secretary of State fee	\$ 3.00
Parking	\$ 20.00
PACER fees	\$ 33.70
Courier	\$ 81.70
<b>Total</b>	<b>\$ 1,780.74</b>